

GEORGE JEPSEN
Attorney General



**Office of the Attorney General
State of Connecticut**

***TESTIMONY OF
ATTORNEY GENERAL GEORGE JEPSEN
BEFORE THE APPROPRIATIONS COMMITTEE
FEBRUARY 25, 2011***

Thank you for the opportunity to provide this testimony concerning the Administration's proposed budget for the Office of the Attorney General.

With Connecticut facing a staggering budget deficit, my office is prepared to be part of the solution. As the Governor's proposed budget recognizes, however, further efforts to reduce the deficit cannot and should not adversely affect the delivery of effective and adequate legal services to the State.

During the last two fiscal years, the Office of the Attorney General has lost a total of 21 positions, reducing its total staff from 309 in July 2009 to its current level of 288 positions. The 21 eliminated positions included 12 Assistant Attorneys General, 7 clerical workers and 2 professional investigators. These reductions come on top of reductions made in prior fiscal years. In addition, the office was forced to meet its operating expenses with just \$665,000 allocated for "other expenses" in each of the last two fiscal years, which amount is used to pay all expenses beyond those dedicated to the salaries of our workforce. The office was only able to accomplish this by utilizing money budgeted for personal services as well as by drastically reducing certain important services such as the print law library and limiting the availability of laptops and other computer equipment for attorneys in courtrooms around the state.

Nevertheless, recognizing the State's dire fiscal crisis, this office submitted a budget in August 2010 which sought to balance the State's need to reduce its deficit with this office's statutory and fiscal responsibility to provide adequate and effective legal services to the State and its citizens. The Governor's budget largely adopts that proposal. The Governor's proposed budget leaves in place the current level of funding for an agency that has little or no control over its workload and figures largely in the State's overall budget picture. I urge the committee to approve the Governor's proposed budget for my office. We simply cannot meet our statutory responsibility to provide effective legal representation to the State with any fewer resources than the Governor has proposed.

As you know, the Attorney General is the chief legal officer of the State of Connecticut, charged with representing and protecting the interests of the State and its citizens in all legal matters affecting the State. Unlike most agencies, we have just one program – legal services. My attorneys are in courtrooms around the State every day, protecting abused and neglected children, obtaining child support money owed single parents, protecting the environment,

recovering money for consumers victimized by fraud, ensuring that charities live up to their responsibilities to operate in accordance with their mandates, and defending state agencies and their employees from a multitude of lawsuits seeking millions of dollars in damages.

During the last fiscal year, my office handled more than 53,000 court cases, completed 155 appeals, with another 209 appeals pending, responded to nearly 10,000 consumer complaints, participated in 2,354 administrative proceedings and examined more than 6,000 legal documents.

We also devote a substantial amount of our time and resources to recovering money for the State and its citizens – in collection of debts owed to the State, in healthcare fraud actions and in lawsuits against con artists and polluters. In the last fiscal year alone, we generated over \$125 million for the General Fund and another \$253 million for consumers, charities and the environment. See attached chart. During that same year, the Office of the Attorney General returned more than \$18 for every dollar spent on our budget. Over the last three fiscal years, the office generated an average of \$19.61 for every dollar spent. Importantly, as the attached chart demonstrates, the amount of revenue the office generates correlates directly to the amount budgeted to the agency. As expenditures made by the office decrease, so too does the amount of revenue the office generates for the State.

In addition, through its defense of lawsuits, my office saves the State millions of dollars. The attorneys from my office engage in complex litigation each and every day, in agencies and courtrooms throughout the State. These attorneys handle all aspects of civil litigation, including pre-trial discovery, complex legal writing and argument, and in many instances full blown trials. In 2010, for instance, the office's Torts and Civil Rights Department successfully defended the State before the Claims Commissioner in a trial where a vocational school student sought permission to sue the State for \$2 million based on alleged negligent supervision after falling off a ladder and sustaining serious head injuries. Also last year, our Employment Rights Department obtained favorable summary judgment rulings in 13 cases. Many of these cases were brought by dismissed employees who sought substantial back pay awards, emotional distress damages and attorneys' fees. Awards in excess of \$1 million are not uncommon in these types of cases. Because of these rulings, we are able to avoid jury trials, which are expensive and time-consuming with uncertain results. Without adequate resources, including sufficient staffing and operating expenses, such results simply could not be obtained and the State would be left more vulnerable to millions of dollars in money judgments.

In closing, I look forward to working with the committee to ensure that the Office of the Attorney General continues to provide efficient and effective legal representation to the State. I am happy to answer any questions from members of the committee.

Office of the Attorney General

REVENUE GENERATED

Fiscal Year	General Fund ¹	Special Funds ²	For Consumers	Tobacco Settlement	Total	% Increase
05/06	\$93,937,426	\$3,186,536	\$211,364,060	\$89,400,000	\$397,888,022	14.55%
06/07	\$79,068,678	\$1,887,002	\$325,281,634	\$97,803,485	\$504,040,799	26.68%
07/08	\$76,660,654	\$19,219,697	\$447,373,547	\$141,347,315	\$684,601,213	35.82%
08/09	\$84,067,460	\$3,581,530	\$327,032,696	\$153,818,653	\$568,500,339	-16.96%
09/10	\$125,629,036	\$1,190,382	\$253,080,837	\$129,977,357	\$509,877,612	-10.31%

EXPENDITURES

Fiscal Year	Personal Services	Other Expenses	Total	% Increase	Revenue collected per dollar spent
05/06	\$26,487,822	\$1,433,669	\$27,921,491	7.13%	\$14.25
06/07	\$27,856,425	\$1,472,816	\$29,329,241	5.04%	\$17.19
07/08	\$29,451,634	\$1,505,738	\$30,957,372	5.55%	\$22.11
08/09	\$29,420,359	\$1,450,041	\$30,870,400	-0.28%	\$18.42
09/10	\$26,705,050	\$1,163,443	\$27,868,493	-9.72%	\$18.30

Revenue collected per dollar spent in FY 2010: \$18.30

¹ General Fund Revenue Sources

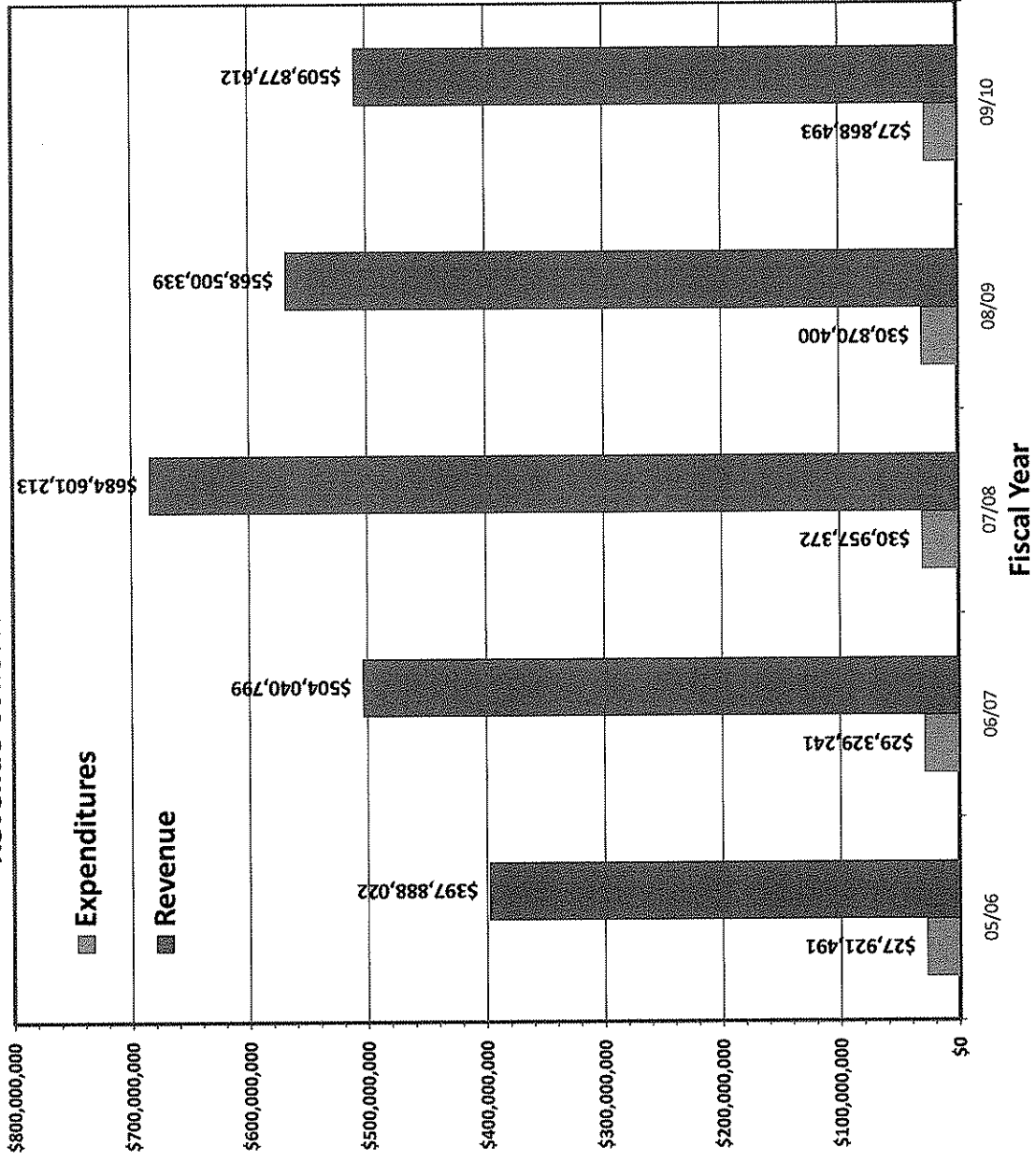
Child Support Collections
Tax Collections
Health Care Fraud Recoveries
Environmental Violation Recoveries
Consumer Protection Penalties, Costs and Forfeitures
Antitrust Restitution
Dept of Social Services Collections
Dept of Insurance Collections
Dept of Administrative Services Collections
Antitrust Fees, Costs and Civil Penalties
Miscellaneous Collections

² Special Funds Revenue Sources

John Dempsey Hospital
Second Injury Fund
Dept. of Consumer Protection
Worker's Compensation RE: State Employees
Unpaid Wage and Unemployment Tax

Office of the Attorney General

Revenue Collected FY 2006 to FY 2010



Completed and Pending Cases FY2006 to FY2010

